

Generating Institutions for University of Portland Faculty Compensation Benchmarking

Initially prepared and presented by the Peer Group Subcommittee (Bill Barnes, Sandy Chung, Laurie Dizney, Louisa Egan Brad, Andrew Guest, Joseph Hoffbeck, Tamar More, and Jacquie Van Hoomissen) for the Faculty Compensation Task Force, Spring 2018¹

Note: underlined text in blue links to supporting materials

Overview

Throughout the 2017-2018 academic year, a subcommittee of the broader Faculty Compensation Task Force worked to develop a group of reasonably similar institutions to be used for determining appropriate faculty compensation benchmarking. The task was set by our external consultant Frank Casagrande, who offered some broad guidelines but encouraged us to approach the work in a way that seemed appropriate for the University of Portland. The general goal was to have a list of institutions that are reasonably similar in both financial and educational characteristics, as well as to establish a procedure that can be replicated in future iterations. Based on his previous experience with this process at other institutions, the consultant recommended that we try to establish a group of at least 40 such institutions – a number that would ultimately allow for data-based salary comparisons at multiple levels and ensure relative robustness across schools.

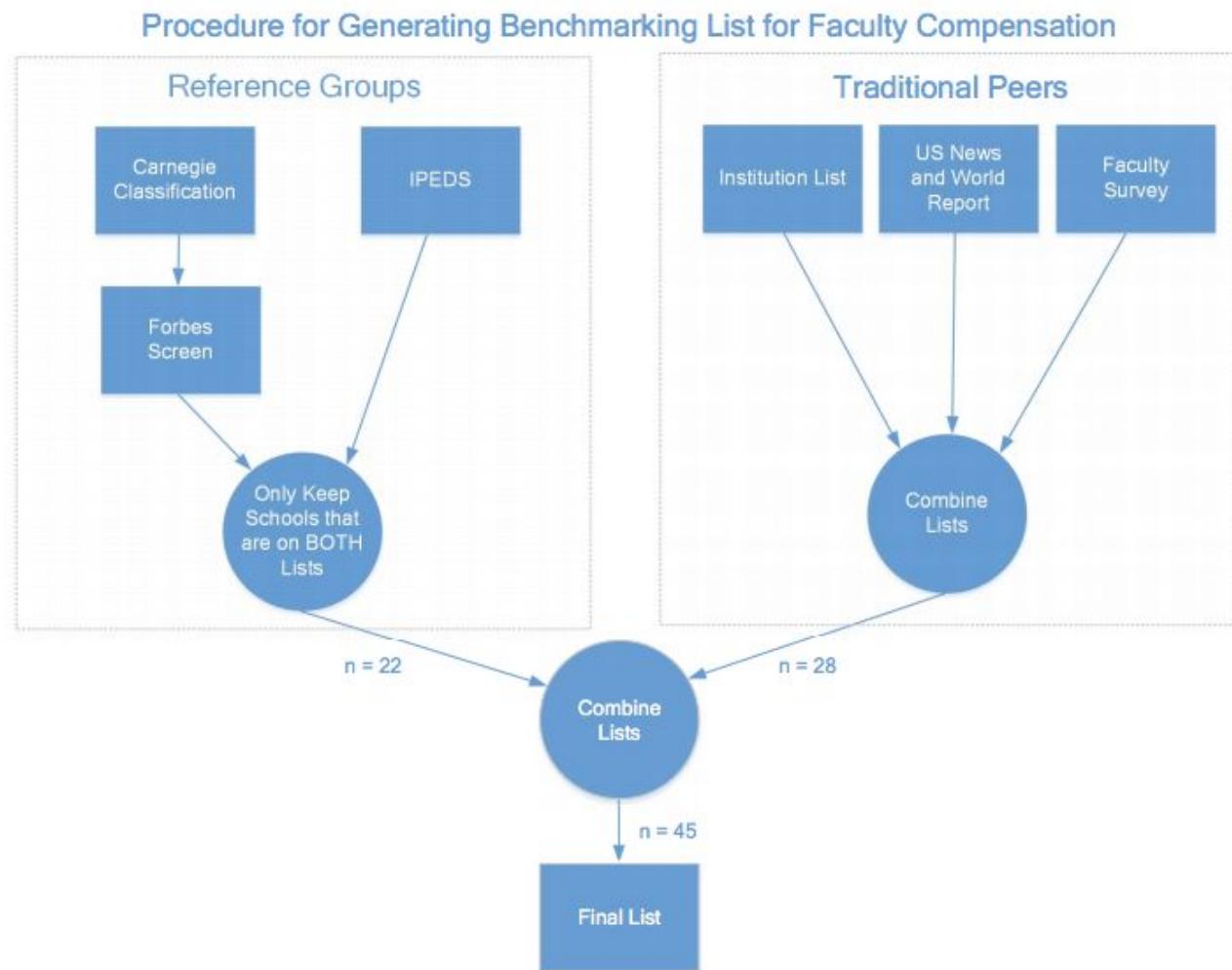
After extensive work compiling data and examining different processes, the subcommittee honed in on two general methods for determining benchmarking schools. These methods take into account many of the criteria that faculty indicated as essential in the January 2018 faculty survey, as well as dimensions that emerged as important in conversations within the task force.

One method involved using publicly available data from the Carnegie Classification of Institutions of Higher Education and from the Integrated Postsecondary Education Data System (IPEDS) to find schools that have generally similar students, programs, and budgetary realities. These schools may not be familiar as competitors or as traditional peers, but they allow us to benchmark against institutions that are academically similar and have similar financial characteristics. We call benchmarking schools derived from this method our “Reference Group” (see the left side of our figure below).

The second method involved using institutional history, public ratings, and the perceptions of UP faculty to find schools that we tend to compare ourselves with which would be familiar as competitors for students and faculty. These institutions may or may not “pass” the strict screens used above for the reference group on a variety of parameters, including fiscal health, institution size, etc. However, by virtue of their familiarity to institutional stakeholders and the tradition of their use for a variety of comparative purposes, they are important for establishing a credible benchmarking group. We call benchmarking schools derived from this method our “Traditional Peers” (see the right side of our figure below).

¹ This report reflects our final agreement on screening and has been modified accordingly.

To determine the final group we combined the Reference Group list and the Traditional Peers list, engaged in extensive discussions and negotiations among the entire Faculty Compensation Task Force, and agreed upon a final “Benchmarking Group.” The combined group is generally robust in terms of its similarity to the University of Portland on a range of important characteristics, including financial health, institution size, and selectivity. This Benchmarking Group will be used as a baseline group for faculty compensation benchmarking purposes. There are still important details to be worked out, including how professional schools will utilize the group (many but not all of these institutions have accredited business, engineering, nursing, and education schools) and how regional differences in the cost of labor and cost of living will be taken into account.



Reference Group

To determine a “reference group” of institutions nationwide we used the Carnegie Classification®² to narrow down to institutions similar to the University of Portland described on the University web page: a “**comprehensive university** with **schools** of business, education, engineering, nursing, a College of Arts and Sciences, and a **graduate** school.” Other distinguishing characteristics of the University of Portland include our private not-for-profit status, a relatively large undergraduate population among private institutions, a highly residential campus, a very high ratio of undergraduates to graduates, more selectivity, our relatively high regional ranking as a comprehensive university, and our accredited professional schools.

Starting from [University of Portland page](#) listed on Carnegie, there are 177 results when clicking on Level = "4-year or above"; Control = "Private not-for-profit"; and Undergraduate Program = "[Balanced arts & sciences/professions, some graduate coexistence.](#)" This was then downloaded as an excel file. (See the "[1st Pass Carnegie](#)" sheet in this spreadsheet)

We then **removed** all schools that were listed as:

1. "majority graduate" (under the "[Enrollment Profile](#)" column in the spreadsheet - this left "majority undergraduate," "high undergraduate," and "very high undergraduate")
2. "inclusive" (under the "[Undergraduate Profile](#)" column - this left "more selective" and "selective"),
3. "higher part-time" and "medium full-time" (under the "[Undergraduate Profile](#)" column - this left "full-time"),
4. "primarily nonresidential" (under the "[Size & Setting](#)" column - this left "primarily residential" and "highly residential"),
5. "very small" and "small" (under the "[Size & Setting](#)" column - this left "medium" sized institutions and above, almost all of them medium sized),
6. "Doctoral Universities: Highest Research Activity," "Doctoral Universities: Higher Research Activity," "Doctoral Universities: Moderate Research Activity," and "Baccalaureate Colleges: Diverse Fields" (under the "[Basic](#)" column - this left a variety of institutions, with almost all of them classified as Masters Colleges and Universities, either medium or large)³

We then filtered these remaining schools for “financial fitness” using the latest year available from Forbes. “Forbes Financial Grades” measure the fiscal soundness of four-year, private, not-for-profit

² From the Carnegie website: “The Carnegie Classification® has been the leading framework for recognizing and describing institutional diversity in U.S. higher education for the past four and a half decades. Starting in 1970, the Carnegie Commission on Higher Education developed a classification of colleges and universities to support its program of research and policy analysis...This framework has been widely used in the study of higher education, both as a way to represent and control for institutional differences, and also in the design of research studies to ensure adequate representation of sampled institutions, students, or faculty.”

³ “Doctoral Universities: Moderate Research Activity”, and “Baccalaureate Colleges: Diverse Fields” were not filtered out in our initial screening. They were added to our screen after extensive discussion in our last meeting of the Spring 2018 semester.

colleges and universities. A description of the Forbes methodology [can be found at the top of the latest \(2017\) financial fitness report](#), which uses IPEDs data from 2014 and 2015. We left schools on the list that received a numerical score between 1.8 and 3.2 (UP's score is 2.51) meaning we were screening for institutions that are similar to the University of Portland financially.

We cross-checked the Forbes data with Standard & Poor's bond rating data that is available for only some institutions to see if the two are correlated. The Forbes screen is very highly correlated with S&P rankings. To run the correlation, we dropped 32 schools rated by S&P but not Forbes, and 635 schools rated by Forbes but not S&P. We also dropped 4 schools that were rated in S&P, but had more than one corresponding entry by school name in Forbes and for which it was impossible to determine which Forbes rating lined up with the S&P rating. This left 237 schools with ratings in both S&P and Forbes. S&P has 11 different rankings, ranging from AAA down to Speculative. We assigned each rating a number 1-11 such that the highest ranking of AAA translated to a score of 11. **There was a very high correlation between Forbes and S&P ratings, $R = 0.8807$, $N = 237$, $p < 0.0001$.**

Finally we ran a simple IPEDS screen to cross-check the Carnegie classification screen described above (the IPEDS screen is described at the bottom of this document in #1 in the Appendix and all institutions are available to view in the "[IPEDS screen" sheet](#) of our spreadsheet).

The resulting list of 22 institutions become our "Reference Group" (see the "[Reference Group" sheet](#) or #2 in the Appendix below). We then separately determined a group of traditional UP peers.

Traditional Peers

Our task force has been discussing the importance of "smell test" institutions since the beginning of our meetings. By definition, these institutions may not emerge through a screen of a national database of institutions of higher education (like above), but may already make sense to University of Portland stakeholders, for many reasons. Some of these institutions may also happen to be on screens like the national Carnegie and IPEDs screens above. Those institutions are obviously noteworthy in that they pass both data-driven screen(s) and are also on traditional peer lists.

We used 3 lists in determining traditional/ stakeholder-determined peers. For the exact schools associated with these individual lists, see the "["Traditional Peers" sheet](#) in this spreadsheet and #3 in the Appendix below. The counting column on the right notes the number of lists (1,2, or 3) that a particular institution is on.

The three lists were derived from:

1. A Board of Regents list (provided by the Office of Human Resources, which includes schools from the WCC, OR and WA with undergraduate enrollments over 1500, and Holy Cross) and an Institutional Research list, which includes WCC, Holy Cross,

Regional, and Mission schools. The IR list almost completely overlapped with the Board of Regents list, with the exception of 3 Mission schools (College of the Holy Cross, Trinity University of Texas, and University of Saint Thomas)

2. *US News and World Report*. We included the top 10 schools from the Best Regional Universities West list for the current year. UP was #6, so this list has 9 schools on it.

3. Faculty survey results. Private Institutions with over 1500 undergraduates that received 3 or more votes from the faculty survey received a “count” on the faculty list. Twenty schools qualified, all of which overlap with the other two lists. 19 of the 20 institutions on the faculty list were also on the Institutional list (Chapman University was on the faculty list but not the Institutional list).

The combination of these lists resulted in 30 institutions. Note that [the list](#) is coded for whether institutions passed the Carnegie/ IPEDs/Forbes screen, the IPEDS screen alone, or neither. 5 of the 30 institutions on the traditional peer lists also happen to be in the Reference Group above (i.e. they emerged from the Carnegie/IPEDS/Forbes screen).⁴ 14 others were on the IPEDS list but not the Carnegie list. 11 were on neither list.

The list of 30 institutions was then pared to 28 based on a careful discussion with all task force members.⁵ This final list of 28 “Traditional Peers” (listed in the Appendix below) was then combined with the 22 institutions on the Reference Group. With 5 institutions on both lists, this resulted in a total of 45 institutions on our final “Benchmarking Group” (23 institutions in the Traditional Peers list were added to the 22 institutions in the Reference Group). That combined list can be seen in the [“Benchmarking Group” sheet](#) in our spreadsheet and also in #4 the Appendix below. The Benchmarking Group sheet in the spreadsheet also contains detailed information, including presence of accredited professional schools, Forbes scores, and Carnegie classifications.

⁴ Initially 10 institutions were in common with the Reference Group because our initial Reference Group included institutions that were classified as “Doctoral Universities: Moderate Research Activity.”

⁵ Notre Dame University and Brigham Young University are both classified as “Highest Research Activity” Doctoral Universities, with endowments and resources that are very large relative to the University of Portland. These institutions were dropped at the same time that 3 other institutions were dropped on the “Reference Group” side: Calvin College, High Point University, and Ohio Northern University (all classified as “Baccalaureate Colleges: Diverse Fields”).

Appendix

1. Description of IPEDS filter

Filtered first by

- Sector (Private, not-for profit, 4 year or above)
- Level (4 or more years)
- Control (Private not for profit)
- Degree Granting (Degree granting)
- Institutional Category (Degree granting, primarily baccalaureate or above)
 - ([Click here](#) for more specifics on filters used and their definitions)

Starting number of schools: n=1289

Decision #1: Eliminate Schools not reporting net-price for AY16

Decision #2: Eliminate Schools with less than 2000 FTUGR and no FTGrad

- there are 846 schools with FTUGR enrollment under 2000

Decision #3: Calculate standard deviation of net tuition for remaining schools and remove schools 1SD above or below

- percent Rank UP for FTUGR enroll: 52.30%
- percent Rank UP net tuition (\$31,736): 58.40%

Decision #4: Eliminate Schools above 10,000 FTUGR

n=181 (see the “IPEDS Screen” sheet [in this spreadsheet](#) for all 181 institutions)

- percent Rank UP for FTUGR enroll: 56.00%
- percent Rank UP net tuition (\$31,736): 60.00%

2. Reference Group (N=22)

Name	UnitID
Butler University	150163
Chapman University	111948
Creighton University	181002
Drake University	153269
Elon University	198516
Fairfield University	129242
Gonzaga University	235316
Hampton University	232265
Iona College	191931
Ithaca College	191968
Loyola University Maryland	163046
Monmouth University	185572
Providence College	217402
Saint Edward's University	227845
Santa Clara University	122931
Seattle University	236595
Siena College	195474
Stetson University	137546
The University of Tampa	137847
University of Scranton	215929
Wilkes University	216931
Xavier University	206622

3. Traditional Peers (N=28)*

School	UnitID	Institutional List*	US News and World Reports, Top 10 on Regional list (UP is #6)	Faculty Survey 2018 (votes)	Count**
Seattle University	236595	x	x	72	3
Gonzaga	235316	x	x	63	3
Santa Clara	122931	x	x	58	3
Lewis and Clark	209056	x		40	2
University of San Diego	122436	x		26	2
Willamette University	210401	x		26	2
University of San Francisco	122612	x		23	2
Pacific Lutheran University	236230	x		20	2
Loyola Marymount- California	117946	x	x	19	3
University of Puget Sound	236328	x		18	2
Reed	209922	x		11	2
Saint Mary's-Moraga	123554	x	x	10	3
George Fox	208822	x		10	2
Linfield	209065	x		9	2
Pacific University	209612	x		8	2
Seattle Pacific University	236577	x		6	2
Chapman	111948		x	3	2
Pepperdine	121150	x		3	2
Trinity Texas	229267	x	x	3	2
U of Notre Dame	152080	x		3	2
Whitworth	237066	x	x		2
Brigham Young University	230038	x			1
College of Holy Cross	166124	x			1
King's College	213321	x			1
Mills	118888		x		1
Saint Edwards	227845	x			1
Saint Thomas	174914	x			1
Stonehill College	167996	x			1
University of the Pacific	120883	x			1
Whitman	237057	x			1

*Purple = Carnegie/ IPEDS, Blue = IPEDS only, Black = neither. 30 listed; ND and Brigham Young dropped.

4. Benchmarking Group (N=45)

Name	UnitID	Screen
Butler University	150163	Carnegie/IPEDs
Chapman University	111948	Carnegie/IPEDs & Traditional Peer
College of the Holy Cross	166124	Traditional Peer
Creighton University	181002	Carnegie/IPEDs
Drake University	153269	Carnegie/IPEDs
Elon University	198516	Carnegie/IPEDs
Fairfield University	129242	Carnegie/IPEDs
George Fox University	208822	Traditional Peer/IPEDS
Gonzaga University	235316	Carnegie/IPEDs & Traditional Peer
Hampton University	232265	Carnegie/IPEDs
Iona College	191931	Carnegie/IPEDs
Ithaca College	191968	Carnegie/IPEDs
King's College	213321	Traditional Peer
Lewis & Clark College	209056	Traditional Peer/IPEDS
Linfield College-McMinnville Campus	209065	Traditional Peer
Loyola Marymount University	117946	Traditional Peer/IPEDS
Loyola University Maryland	163046	Carnegie/IPEDs
Mills College	118888	Traditional Peer
Monmouth University	185572	Carnegie/IPEDs
Pacific Lutheran University	236230	Traditional Peer
Pacific University	209612	Traditional Peer
Pepperdine University	121150	Traditional Peer/IPEDS
Providence College	217402	Carnegie/IPEDs
Reed College	209922	Traditional Peer
Saint Edward's University	227845	Carnegie/IPEDs & Traditional Peer
Santa Clara University	122931	Carnegie/IPEDs & Traditional Peer
Seattle Pacific University	236577	Traditional Peer/IPEDS
Seattle University	236595	Carnegie/IPEDs & Traditional Peer
Siena College	195474	Carnegie/IPEDs
St. Mary's of California	123554	Traditional Peer/IPEDS
Stetson University	137546	Carnegie/IPEDs

Stonehill College	167996	Traditional Peer
The University of Tampa	137847	Carnegie/IPEDs
Trinity University	229267	Traditional Peer/IPEDS
University of Puget Sound	236328	Traditional Peer/IPEDS
University of San Diego	122436	Traditional Peer/IPEDS
University of San Francisco	122612	Traditional Peer/IPEDS
University of Scranton	215929	Carnegie/IPEDs
University of St Thomas	174914	Traditional Peer/IPEDS
University of the Pacific	120883	Traditional Peer/IPEDS
Whitman College	237057	Traditional Peer
Whitworth University	237066	Traditional Peer/IPEDS
Wilkes University	216931	Carnegie/IPEDs
Willamette University	210401	Traditional Peer
Xavier University	206622	Carnegie/IPEDs

4. Benchmarking Group (Simple, numbered)

1. Butler University
2. Chapman University
3. College of the Holy Cross
4. Creighton University
5. Drake University
6. Elon University
7. Fairfield University
8. George Fox University
9. Gonzaga University
10. Hampton University
11. Iona College
12. Ithaca College
13. King's College
14. Lewis & Clark College
15. Linfield College-McMinnville Campus
16. Loyola Marymount University
17. Loyola University Maryland
18. Mills College
19. Monmouth University
20. Pacific Lutheran University
21. Pacific University
22. Pepperdine University
23. Providence College
24. Reed College
25. Saint Edward's University
26. Santa Clara University
27. Seattle Pacific University
28. Seattle University
29. Siena College
30. St. Mary's of California
31. Stetson University
32. Stonehill College
33. The University of Tampa
34. Trinity University
35. University of Puget Sound
36. University of San Diego
37. University of San Francisco
38. University of Scranton
39. University of St Thomas
40. University of the Pacific
41. Whitman College
42. Whitworth University
43. Wilkes University
44. Willamette University
45. Xavier University